GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:193
ANSWERED ON:09.03.2001
INSURANCE CLAIMS OF EARTHQUAKE VICTIMS
CHANDRESH PATEL KORDIA;RAGHUVANSH PRASAD SINGH

Will the Minister of FINANCE be pleased to state:

(a) the number of insurance claims received by various insurance companies from Kutch and other places of Gujarat after the earthquake that hit Gujarat on January 26, 2001;

(b) the number of claims disposed of and the amount of money disbursed so far;

(c) the measures taken/proposed to be taken for quick disposal of all those claims;

(d) the instructions issued by the Government for disposal of those claims;

(e) whether the Government has received any complaint of harassment for not settling the claims quickly; and

(f) if so, the details thereof and the actions taken against such officers and employees?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 193 FOR ANSWER ON 9TH MARCH REGARDING `INSURANCE CLAIMS OF EARTHQUAKE VICTIMS` TABLED BY SHRI CHANDRESH PATEL AND RAGHUVANSH PRASAD SINGH.

(a) & (b): LIC of India has reported that as on 2.3.2001, they have received 1017 claims for Rs.848.32 lacs.Out of these, 843 claims for an amount of Rs. 742.39 lacs have been settled. Around 30,000 claims amounting to Rs.648.41 crores have been received by the General Insurance companies. Of these, 5137 claims for an amount of Rs.14.22 crores have been settled.

(c) & (d): Chairmen of GIC, LIC and CMDs of all the four subsidiary insurance companies have been visiting Ahmedabad periodically to make on the spot assessment of the extent of damage and also streamline the claim procedure for early settlement. Senior officers of the Ministry of Finance have also visited Ahmedabad for the purpose. The Government has advised the insurance companies for early settlement of claims. The insurance companies have drawn up an action plan for expeditious settlement of claims and have also dispensed with many of its normal requirements for claim settlements such as-

(i) Waiver of post mortem report.

(ii) if Death Certificate is not available, a letter from Sarpanch, Talati, Mamlatdar etc. can be obtained.In the absence of any of these, death claims are settled merely on the basis of Letter of Indemnity on non-judicial stamp paper of Rs.20/-.

(iii) Police panchnama and Meteorological Report is not to be insisted upon in case of property claims.

(iv) No driving licence in case of motor claims will be insisted upon.

(v) Where salvage has been removed by the authorities alongwith debris, requirement for collection of salvage may be waived after obtaining affidavit or Indemnity Bond.

(vi) For death claims below Rs.5 lakhs, successor may be certified by way of an affidavit before Magistrate or Mamlatdar.

(vii) Higher financial authority has been delegated to Regional/Divisional incharge.

(viii) Officers have been authorised to dispose of claims as `individual` for application of financial authority.

(ix) Time schedule for Surveyors has been fixed for submission of the survey reports.

(e) & (f): A few representations have been received on account of delay in settlement of claims by companies and consequent harassment. As indicated above, a number of steps have been taken by the insurance companies for expediting settlement of claims. No specific complaint against any officer has been received alleging harassment.